

(1) The identity of the applicant's affiliates and controlling principals, and, if a consortium of small businesses (or a consortium of very small businesses), the members of the joint venture; and

(2) The applicant's gross revenues, computed in accordance with § 90.912.

(b) *Long-form applications: Certification and disclosure.* In addition to the requirements in subpart V of this part, each applicant submitting a long-form application for license(s) for Spectrum Blocks A through V and qualifying as a small business shall, in an exhibit to its long-form application:

(1) Disclose separately and in the aggregate the gross revenues, computed in accordance with § 90.912, for each of the following: the applicant, the applicant's affiliates, the applicant's controlling principals, and, if a consortium of small businesses (or consortium of very small businesses), the members of the joint venture;

(2) List and summarize all agreements or other instruments (with appropriate references to specific provisions in the text of such agreements and instruments) that support the applicant's eligibility as a small business, very small business, consortium of small businesses or consortium of very small businesses under §§ 90.910 and 90.912, including the establishment of *de facto* and *de jure* control; such agreements and instruments include articles of incorporation and bylaws, shareholder agreements, voting or other trust agreements, franchise agreements, and any other relevant agreements (including letters of intent), oral or written; and

(3) List and summarize any investor protection agreements, including rights of first refusal, supermajority clauses, options, veto rights, and rights to hire and fire employees and to appoint members to boards of directors or management committees.

(c) *Records maintenance.* All winning bidders qualifying as small businesses or very small businesses, shall maintain at their principal place of business an updated file of ownership, revenue and asset information, including any document necessary to establish eligibility as a small business, very small business and/or consortium of small businesses (or consortium of very small

businesses) under § 90.912. Licensees (and their successors in interest) shall maintain such files for the term of the license.

(d) *Audits.* (1) Applicants and licensees claiming eligibility as a small business, very small business or consortium of small businesses (or consortium of very small businesses under §§ 90.910 and 90.912 shall be subject to audits by the Commission, using in-house and contract resources. Selection for audit may be random, on information, or on the basis of other factors.

(2) Consent to such audits is part of the certification included in the short-form application (FCC Form 175). Such consent shall include consent to the audit of the applicant's or licensee's books, documents and other material (including accounting procedures and practices) regardless of form or type, sufficient to confirm that such applicant's or licensee's representations are, and remain, accurate. Such consent shall include inspection at all reasonable times of the facilities, or parts thereof, engaged in providing and transacting business, or keeping records regarding licensed 800 MHz SMR service and shall also include consent to the interview of principals, employees, customers and suppliers of the applicant or licensee.

(3) *Definitions.* The terms affiliate, small business, very small business, consortium of small businesses, consortium of very small businesses, and gross revenues used in this section are defined in § 90.912.

[62 FR 41224, July 31, 1997]

Subpart W—Competitive Bidding Procedures for the 220 MHz Service

SOURCE: 62 FR 15999, Apr. 3, 1997, unless otherwise noted.

§ 90.1001 220 MHz service subject to competitive bidding.

Mutually exclusive initial applications for 220 MHz geographic area licenses are subject to competitive bidding procedures. The procedures set

§ 90.1003

forth in part 1, subpart Q, of this chapter will apply unless otherwise provided in this part.

§ 90.1003 Competitive bidding design for the 220 MHz service.

A simultaneous multiple round auction will be used to choose from among mutually exclusive initial applications for 220 MHz geographic area licenses, unless the Commission specifies otherwise by Public Notice prior to the competitive bidding procedure.

§ 90.1005 Competitive bidding mechanisms.

(a) *Sequencing.* The Commission will establish and may vary the sequence in which 220 MHz geographic area licenses are auctioned.

(b) *Grouping.* The Commission will determine which licenses will be auctioned simultaneously or in combination.

(c) *Minimum bid increments.* The Commission may, by public announcement before or during an auction, require minimum bid increments in dollar or percentage terms.

(d) *Stopping rules.* The Commission may establish stopping rules before or during an auction in order to terminate the auction within a reasonable time.

(e) *Activity rules.* The Commission may establish activity rules which require a minimum amount of bidding activity. In the event that the Commission establishes an activity rule in connection with a simultaneous multiple round auction, each bidder may request waivers of such rule during the auction. The Commission may, by public announcement either before or during the auction, specify or vary the number of waivers available to each bidder.

§ 90.1007 Withdrawal, default and disqualification payments.

The Commission will impose payments on bidders who withdraw high bids during the course of an auction, who default on payments due after an auction terminates, or who are disqualified. When the Commission conducts a simultaneous multiple round auction, payments will be calculated as set forth in §§ 1.2104(g) and 1.2109 of this chapter. When the amount of such a

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payment cannot be determined, a deposit of up to 20 percent of the amount bid on the license will be required.

§ 90.1009 Bidding application (FCC Form 175 and 175-S Short-form).

Each applicant to participate in competitive bidding for 220 MHz geographic area licenses must submit an application (FCC Forms 175 and 175-S) pursuant to the provisions of § 1.2105 of this chapter.

§ 90.1011 Submission of upfront payments and down payments.

(a) The Commission will require applicants to submit an upfront payment prior to the start of a 220 MHz Service auction. The amount of the upfront payment for each geographic area license auctioned and the procedures for submitting it will be set forth by the Wireless Telecommunications Bureau in a public notice in accordance with § 1.2106 of this chapter.

(b) Each winning bidder in a 220 MHz Service auction must submit a down payment to the Commission in an amount sufficient to bring its total deposits up to 20 percent of its winning bid within ten (10) business days following the release of a Public Notice announcing the close of bidding.

[63 FR 32591, June 12, 1998]

§ 90.1013 Long-form application (FCC Form 601).

Each successful bidder for a 220 MHz geographic area license must submit a long-form application (FCC Form 601) in accordance with part 1, subpart F of this chapter within ten (10) business days after being notified by Public Notice that it is the winning bidder. Regardless of the number of markets won, winning bidders will only be required to file a single application. Applications for 220 MHz geographic area licenses on FCC Form 601 must be submitted in accordance with § 1.2107 of this chapter, all applicable procedures set forth in the rules in this part, and any applicable Public Notices that the Commission may issue in connection with an auction. After an auction, the Commission will not accept long-form applications for 220 MHz geographic area licenses from anyone other than